# Before the Federal Communications Commission Washington, D.C. 20554

| In the Matter of                            | ) |          |
|---|---|----------|
|   | ) |          |
| Section 63.71 Application of                | ) | File No. |
| Hawaiian Telcom, Inc. For Discontinuance    | ) |          |
| of Business Data Services in Kalawao County | ) |          |

## SECTION 63.71 APPLICATION OF HAWAIIAN TELCOM, INC.

Pursuant to Section 63.71 of the Commission's Rules<sup>1</sup> and Section 214(a) of the Communications Act of 1934,<sup>2</sup> as amended, Hawaiian Telcom, Inc. ("Hawaiian Telcom" or "Company") hereby files this application to discontinue the provision of business data services in Kalawao County ("County"), Hawaii. Hawaiian Telcom does not provide business data services to end-user customers in Kalawao County.<sup>3</sup> All existing broadband services in Kalawao County are provided by either a cable company or a satellite provider.<sup>4</sup>

As required by Section 63.71(a) and (b) of the Commission's rules, Hawaiian Telcom is providing the following information:

#### A. Name and Address of Carrier

Hawaiian Telcom, Inc. 1177 Bishop Street Honolulu, HI 96813

<sup>&</sup>lt;sup>1</sup> 47 C.F.R. § 63.71.

<sup>&</sup>lt;sup>2</sup> 47 U.S.C § 214.

<sup>&</sup>lt;sup>3</sup> See "Amended Certification of Hawaiian Telcom, Inc. that No Business Data Services are Provided in Kalawao County, Hawaii; FCC Tariff No. 1, WC Docket No. 16-143", filed with the Commission on November 14, 2017.

<sup>4</sup> https://www.fcc.gov/maps/fixed-broadband-deployment-data/

#### **B.** Date of Planned Service Discontinuance

Hawaiian Telcom plans to discontinue offering business data services in Kalawao County on or after January 15, 2018, subject to Commission authorization of the discontinuance.

#### C. Points of Geographic Areas of Service Affected

Kalawao County, located on a peninsula on the island of Molokai, is a unique county.

Much of the terrestrial portion of the County is unpopulated, consisting of rugged mountains, and several of the census blocks in the County consist of ocean and uninhabited (indeed uninhabitable) small islands. The total population of the County is less than 90 persons<sup>5</sup>, and most of them are located in a small area of the County, where Hawaiian Telcom provides only voice, and no business data, services to end-user residents of the community.

Hawaiian Telcom does not have a central office located in Kalawao County. All services provided by Hawaiian Telcom to Kalawao County are provisioned from a central office located in Maui County, which also serves other portions of the island of Molokai.<sup>6</sup>

## D. Brief Description of the Types of Service Affected

Hawaiian Telcom is a price-cap Incumbent Local Exchange Carrier with current Section 214 authorization to provide interstate services. The Company proposes to discontinue offering business data services in Kalawao County. Business data services refers to the dedicated point-to-point transmission of data at certain guaranteed speeds and service levels using high-quality connections.<sup>7</sup> These services are the following Hawaiian Telcom offerings included in its FCC

<sup>&</sup>lt;sup>5</sup> https://www.census.gov/quickfacts/fact/table/kalawaocountyhawaii/POP060210 (last viewed November 8, 2017).

<sup>&</sup>lt;sup>6</sup> Declaration of Keith Yoshino, Hawaiian Telcom, Inc., at ¶ 8 (Attached as Appendix A). "Yoshino Declaration").

<sup>&</sup>lt;sup>7</sup> Business Data Services in an Internet Protocol Environment, WC Docket No. 16-143, et al., Report & Order, FCC 17-43, ¶ 6 (rel. Apr. 28, 2017) ("Business Data Services Order"), pet. for

Tariff No. 1: DS1, DS3, End User Channel Terminations, Optical Networking, Voiceband, Program Audio, Video Transport Services, Wideband Analog, Wideband Data Service, High Capacity Digital Service, FiberConnect Enhanced Access Diversity, Digital Data Service, Bonded Digital Link Service, E1 High Capacity Service, Point to Point Fiber Optic Special Transport, High Voltage Protection, and Clear Channel Capability.

Hawaiian Telcom does not have any end-user customers for these services in the County, and there is no demand for these services. Hawaiian Telcom has not received any end-user customer requests for such services in Kalawao County at least during the previous four years. Hawaiian Telcom does not have any plans to provision these services in the foreseeable future.

#### E. Description of the Dates and Methods of Notice to All Affected Customers

As stated previously, Hawaiian Telcom does not have any business data services end-user customers in Kalawao County. Therefore, customer notification is not required. Hawaiian Telcom is sending copies of this Application to the Public Utilities Commission of the State of Hawaii, to the Governor of the State of Hawaii, to the Department of Hawaiian Homelands, to the Office of Hawaiian Affairs, and to the Special Assistant for Telecommunications, Department of Defense.

## F. Regulatory Classification of Carrier

Hawaiian Telcom offers these services pursuant to dominant carrier regulation.

However, Commission data demonstrate that the entire Kalawao County population can be

rev., Ad Hoc Telecommunications Users Comm. v. FCC, No. 17-2342 (8th Cir., docketed Jun. 19, 2017).

served either by a cable broadband provider or a satellite provider.<sup>8</sup> FCC Form 477 data demonstrate that Oceanic Time Warner (now known as Spectrum), a subsidiary of Charter Communications, provides fixed cable broadband service in Kalawao County. Cable broadband service is provided in 21 census blocks in the County. 9 Commission maps indicate that the entire County can receive satellite broadband service. 10 The data contained in this map is confirmed by data available in the National Broadband Availability Map tool. 11 One-hundred percent of the population in the County lives, resides, and/or works in the census blocks where cable broadband service or satellite broadband service is available. 12

Hawaiian Telcom generally has not upgraded its network to provide any broadband services to end-user customers in the County, and it has no last mile broadband connections in any of the 63 census blocks in the County. 13 As a result of the presence of competitive broadband providers, and the lack of demand for business data services in Kalawao County, the

Based on a telephone call with staff from the Commission's Wireline Competition Bureau on June 9, 2017, more than 50% of census blocks in Kalawao County are recorded in FCC data as located in a "rate-of-return" study area. The only rate-of-return ILEC operating in Hawaii is Sandwich Isles Communications, Inc., whose study area is limited to certain Hawaiian Home Lands. But to the best of Hawaiian Telcom's information and belief, Sandwich Isles does not provide wireline voice or broadband service to Hawaiian Home Lands located in Kalawao County. Yoshino Declaration at ¶ 7.

Form 477 Data by Census Block in the State of Hawaii, located at https://www.fcc.gov/general/broadband-deployment-data-fcc-form-477 (Form 477 data for Hawaii as of June 30, 2016) (last viewed Aug. 22, 2017).

https://www.fcc.gov/maps/residential-fixed-internet-access-service-providers-by-censusblock/ (last viewed Jun. 12, 2017).

https://www.broadbandmap.gov/provider (last viewed Jun. 12, 2017) (enter Time Warner cable as provider).

Yoshino Declaration at ¶ 5.

Yoshino Declaration at ¶ 6. Any business data services offered to any wholesale customer with a terminating point in Kalawao County is provisioned out of the Maui County rate center, which is treated as a business data service offered in Maui County. This discontinuance application does not affect any such service.

public convenience and necessity will not be adversely affected by the discontinuance of these service options. Hawaiian Telcom respectfully requests that the Commission approve its Section 63.71 Application to discontinue business data services in Kalawao County.

Respectfully submitted,

Steven P. Golden Vice President External Affairs Hawaiian Telcom, Inc. 1177 Bishop Street Honolulu, Hawaii 96813 By: /s/ Gregory J. Vogt
Gregory J. Vogt
Law Offices of Gregory J. Vogt, PLLC
103 Black Mountain Ave., Suite 11
Black Mountain, NC 28611
(828) 669-2099
gvogt@vogtlawfirm.com

Counsel for Hawaiian Telcom, Inc.

November 15, 2017

#### APPENDIX A

## Before the Federal Communications Commission Washington, D.C. 20554

| In the Matter of                            | ) |          |
|---|---|----------|
|   | ) |          |
| Section 63.71 Application of                | ) | File No. |
| Hawaiian Telcom, Inc. For Discontinuance    | ) |          |
| of Business Data Services in Kalawao County | ) |          |

#### DECLARATION OF KEITH H. YOSHINO

I, Keith H. Yoshino, hereby declare the following:

- I am the Director Regulatory Reporting for Hawaiian Telcom, Inc.
   ("Hawaiian Telcom"). In that position, I am responsible for the preparation and submission of the FCC Form 477 Local Telephone Competition and Broadband Report for Hawaiian Telcom.
- 2. I have reviewed the Application for Discontinuance, and the facts stated are true to the best of my information and belief.
- 3. Kalawao County ("County"), located on a peninsula on the island of Molokai, is a unique county. Much of the terrestrial portion of the County has rugged mountains, and several of the census blocks in the County consist of ocean and uninhabited (indeed uninhabitable) small islands. Most of the population is located in a small area of the County, where Hawaiian Telcom provides voice services to the residents of the community. Hawaiian Telcom does not provide end-user business data services to this small, remote area.

- 4. Hawaiian Telcom does not have a wire center located in Kalawao County.

  All services provided by Hawaiian Telcom to Kalawao County are provisioned from a wire center located in Maui County, which serves other portions of the island of Molokai.
- 5. Based on FCC Form 477 data and the national broadband map, one-hundred percent of the population in the County lives, resides, and/or works in the census blocks where cable broadband service or satellite broadband service is available.
- 6. Hawaiian Telcom provides voice service to 28 end-user customer locations in the Kalawao County, 24 of which are residential locations. Hawaiian Telcom generally has not upgraded its network to provide broadband services to end-user customers in any of the 63 census blocks in the County.<sup>1</sup>
- 7. Based on a telephone call with staff from the Commission's Wireline Competition Bureau on June 9, 2017, more than 50% of census blocks in Kalawao County are recorded in FCC data as located in a "rate-of-return" study area. The only rate-of-return company operating in Hawaii is Sandwich Isles Communications, Inc., whose study area is limited to certain Hawaiian Home Lands. To the best of my knowledge, Sandwich Isles does not provide wireline voice or broadband service to Hawaiian Home Lands located in Kalawao County.
- 8. Kalawao County is a community with a population of less than 90, where the most populous census blocks are served by the cable broadband provider and multiple competitive satellite service providers.

-2-

\_

<sup>&</sup>lt;sup>1</sup> Any business data services offered to any wholesale customer with a terminating point in Kalawao County is provisioned out of the Maui County rate center, which is treated as a business data service offered in Maui County.

9. Given the lack of base-year demand provisioned within Kalawao County

for business data services, and since all existing services are provisioned from a wire

center in Maui County, which is deemed to be competitive, it is not clear how the rates

for business data services can be developed while complying with existing price cap

rules.

I declare under penalty of perjury that the foregoing is true and correct to 10.

the best of my knowledge, information and belief.

/s/Keith H. Yoshino

Keith H. Yoshino

Dated: November 15, 2017

-3-

#### **CERTIFICATE OF SERVICE**

I, Candace Donohoe, do hereby certify that I have on this 15th day of November 2017 caused a copy of the foregoing "Section 63.71 Application of Hawaiian Telcom, Inc." to be served by either hand delivery or mail as indicated below upon the following:

Delmond J. H. Won Executive Director State of Hawaii Public Utilities Commission Kekuanao'a Building 465 South King Street, Room 103 Honolulu, HI 96813 VIA HAND DELIVERY

Dean Nishina VIA HAND DELIVERY

**Executive Director** 

Department of Commerce and Consumer Affairs

Division of Consumer Advocacy

King Kalakaua Building

333 Merchant Street, Room 326

Honolulu, HI 96813

The Honorable David Y. Ige VIA U.S. MAIL

Governor, State of Hawaii

**Executive Chambers** 

State Capitol

Honolulu, HI 96183

Jobie Masagatani VIA U.S. MAIL

Chair

Department of Hawaiian Home Lands

P. O. Box 1879

Honolulu, HI 96805

Dr. Kamana'opono Crabbe VIA U.S. MAIL

Chief Executive Officer Office of Hawaiian Affairs

560 N. Nimitz Highway, Suite 200

Honolulu, HI 96817

Secretary of Defense VIA U.S. MAIL

Attn: Special Assistant for Telecommunications

Pentagon

Washington, DC 20301

/s/ Candace Donohoe
Candace Donohoe